



Natural Resources Conservation Service  
6013 Lakeside Blvd.  
Indianapolis, IN 46278

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October 12, 2006

**INDIANA BULLETIN NO. 300-7-1**

**SUBJECT:** LTP – Fiscal Year (FY) 2007 Conservation Security Program (CSP) Timeline for Making Participant Payments

**Purpose:** To provide information to State and Field level employees on the timeframe for making producers' CSP FY 2007 payments.

**Expiration Date:** September 30, 2007

**Background:** As per CCC-1200 CSP Appendix paragraph 5(f), annual payment under the CSP contract is subject to the availability of funds. NRCS has received an initial apportionment for CSP and will initiate FY 2007 payments under the authority of a continuing resolution.

This memo changes some of the guidelines which we were given earlier. The major change is that all maintenance modifications must be done prior to any 2007 CSP payments being made. These known maintenance modifications need to be completed between October 12<sup>th</sup> and October 20<sup>th</sup>.

There will be no Prorating of the modifications; however, the initial FY 2007 CSP annual payment will be capped by the Continuing Resolution Limit (CRL) to no more than what they were paid in 2006. Once the FY07 budget is approved then there may be an additional payment made if the budget supports the full payment of each and every CSP contract nationwide.

A funding decision on the proposed 2007 watersheds will not be made until after the 2007 Payments and Mods on the 2004-2006 contracts have been approved.

If duplicative payments are found these ***MUST*** be modified and corrected for this year and all out years and any past duplicative payment will have to be returned. This process must be completed prior to the 2007 payment being made.

ProTracts will cap the FY 2007 CSP annual payment at the FY 2006 contract disbursement level. This script will be run on October 23<sup>rd</sup>. If additional funds become available after the FY 2007 appropriation is passed, a second payment may be processed at either a prorated or full payment level.

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P.L. 107-171, section 1238 c (2) states that the Secretary will make conservation stewardship contract payments as soon as practicable after October 1. The following timeline will be used for processing the FY 2007 contract payments.

Date	Action
October 10, 2006	NHQ FMD determines CSP FY 2006 disbursement levels for FY 2007 initial allocations
October 10, 2006	<i>Modify</i> and <i>Submit for Approval</i> buttons will be turned on, <i>Approve Mod</i> button will be turned off in ProTracts
October 12, 2006	NHQ processes FY 2007 fund allocation to states
October 13, 2006	State Office mails annual payment letters and Caribbean and Pacific Islands Areas
October 12, 2006 through October 20, 2006	Field/Area Offices <i>Submit</i> improvement modifications in ProTracts
October 12, 2006 through October 20, 2006	<b>Field Offices to process maintenance modifications</b> in ProTracts which have <b>no increase</b> in obligations i.e. deleting duplicative program payment items, changes in shares and vendor information, etc.
October 16, 2006	FY 2007 funds clear through the FFIS system and become available in ProTracts
October 16, 2006 through October 20, 2006	States process maintenance modifications which require additional funds <b>only with NHQ concurrence</b> i.e. appeals and NRCS errors
October 19, 2006	ITC will provide NHQ with a list of the contracts that have not yet been submitted for approval
October 23, 2006	(a) <b><i>Modify and Submit for Approval</i></b> buttons will be turned <b>off</b> (b) All contracts ready for Mod approval will be processed to add a 2007 payment limit item (identified as CRL - Continuing Resolution Limit on the NRCS-1245) to each applicable contract item (c) Obligate all 2007 planned items (d) <b><i>Approve Mod</i></b> will be turned <b>on</b> (SO Only)

October 24 through February 1, 2007	States <b><i>Approve</i></b> modifications, <b><i>Certify</i></b> and <b><i>Approve</i></b> annual payments after contract reviews and field verifications are completed as necessary ref: CPM 518.100 (f) and 518.101 (b)
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**Contact.:** If you have any questions, please contact Joe Williams, CSP Coordinator at (317) 290-3200 Ext 311 or Harold Thompson, ASTC (Programs) at (317) 290-3200 Ext 320.

/s/

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State Conservationist